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**K A N S A S**  
KANSAS HEALTH POLICY AUTHORITY

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# Memorandum

**To:** Dr. Marci Nielsen  
**From:** Scott Brunner  
**Date:** 8/24/2006  
**Re:** Dental transition update

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As you know dental providers, Legislators, and the Governor's office have all raised concerns about the Medicaid and HealthWave dental programs over the past couple of years. Dental services, payment rates, and access to providers have been recurring issues for Kansas Medicaid. However, since the implementation of a two-stage reimbursement mechanism combining a new Medicaid Management Information System (MMIS) with an administrative services contract through Doral Dental, there have been significant problems with and questions about the timeliness and accuracy of payments.

While there is a long history about the issues, I wanted to bring you up to date on the transition that occurred on July 1.

As of July 1:

- The Kansas Health Policy Authority ended its administrative services contract with Doral for the Title XIX and Title XXI dental programs
- KHPA changed the delivery model of dental services for the Title XXI program from a Managed Care to a fee for service (FFS) model
- KHPA established a customer service unit at EDS for dental providers.

Between January 2006 and July, our dental program manager, policy staff, claims research team and testing team worked together with EDS and Doral to revise all of our dental payment policies. This effort sought to simplify and clarify what Medicaid would pay for and documentation requirements for timely payments. This included, as we approached July 1, configuring the MMIS to accept and pay claims submitted for Title XXI beneficiaries. The program requirements, including documentation, prior authorizations, and payment rates, were aligned so the two programs would be identical.

The Division of Health Policy and Finance, KHPA's predecessor in operating the Title XIX and title XXI programs, began in April to work with its contractors to lay the groundwork for this transition. State staff and both contractors developed a detailed work plan with cutover tasks and responsibilities. EDS hired a dental services manager to supervise the transition and the ongoing relationships with dental providers. There is a dedicated area within the customer service call center for dental providers and a designated claims resolution worker to handle dental policy questions. EDS hired a dental consultant to provide expert knowledge in the review of required documents to support medical need for services as well as assisting in determining the reimbursement for specialized services. The dental consultant also will assist in providing education to providers. EDS also conducted a series of provider visits and workshops to help explain the transition, demonstrate the MMIS web interface, and help providers work through unresolved or unpaid claims. As a result of this work with providers, all of the dental providers that were enrolled with Doral Dental have transitioned to EDS.

The preliminary results of the first two weeks of claims payments through the MMIS system at EDS have been positive. In the first week, we paid \$502,586 in Title XIX claims and \$23,162 in Title XXI claims. In total 82.7% of Title XIX claims went to paid status and 94.3% of Title XXI claims were either paid or accepted as encounter data. The volume appeared to be a little under historical weeks (4,193 claims for Title XIX, 2,934 for Title XXI). At least two providers were contacted about billing issues that would have resulted in more claim denials and the progress of claims is being monitored to prevent any unnecessary delays in payments.

As of May of 2006, 534 dental providers were enrolled in Title XIX and 404 dental providers were enrolled in Title XXI. Between May 8 and June 30, 21 additional providers were enrolled in the dental program.

We are collecting more data regarding implementation of this project. We are focusing on claims payment accuracy and timeliness and provider participation. We expect more meaningful information will be available in August.